



SMALL BUSINESS ADMINISTRATION

Interest Rates: Correction

On April 8, 2015, in Federal Register Vol. 80, No. 67, Pages 18922-18923, the Small Business Administration (SBA) incorrectly published an interest rate called the optional "peg" rate (13 CFR 120.214). This rate is a weighted average cost of money to the government for maturities similar to the average SBA direct loan. This rate may be used as a base rate for guaranteed fluctuating interest rate SBA loans. The correct rate is 2.125 (2 1/8) percent for the April – June quarter of FY 2015.

Pursuant to 13 CFR 120.921(b), the maximum legal interest rate for any third party lender's commercial loan which funds any portion of the cost of a 504 project (see 13 CFR 120.801) shall be 6% over the New York Prime rate or, if that exceeds the maximum interest rate permitted by the constitution or laws of a given State, the maximum interest rate will be the rate permitted by the constitution or laws of the given State.

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